

**ATTACHMENT 1**

**ERROR REJECT CODE (ERC) CROSS REFERENCES**

<b><u>ERC</u></b>	<b><u>DESCRIPTION</u></b>
0720	<ul style="list-style-type: none"><li>o Form 3800 - When one or more of the following forms is present, Form 3800 must be present: Form 3468, Form 5884, Form 5884-A, Form 6765, Form 8586, Form 8820, Form 8826, Form 8845, Form 8846, Form 8847, Form 8861, Form 8864, Form 8874, Form 8881, Form 8882, Form 8896, Form 8900, Form 8906, Form 8907, Form 8908 or Form 8909.  </li><li>o When one or more of the following fields is significant, Form 3800 must be present: Add Lines 8 and 9 (SEQ 0205) of Form 8835, Business/Investment Use Part of AMV Credit (SEQ 0310) of Form 8910, or Current Year Business/Invest Credit (SEQ 0090) of Form 8911.   </li></ul>

**INTRODUCTION**

This publication outlines the communications procedures, transmission formats, character sets, validation criteria, and error reject conditions for individual income tax returns filed electronically via telephone lines to participating Internal Revenue Service Centers. Also covered are the formats for statement records, examples of types of records, and explanations of the Acknowledgement files transmitted to electronic filers.

The File Specifications (Part I) must be used in conjunction with the Record Layouts (Part II) and the corresponding version of the Handbook for Electronic Return Originators of Individual Income Tax Returns, Publication 1345. Software developers and transmitters should use both publications and must transmit test returns from the IRS developed Test Package for Electronic Filers of Individual Income Tax Returns, Publication 1436, which is revised yearly. Tax preparers who use a transmission service will need only Publication 1345.

Publication 1346, and Publication 1436 are mailed automatically to applicants as appropriate, based on their intended participation. Other IRS *e-file* publications, including Publication 1345, Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns, are available on the IRS web site, [www.irs.gov](http://www.irs.gov). A list of IRS *e-file* publications is in Publication 3112, IRS e-file Application and Participation. You may also call 1-800-829-3676 for additional copies of publications. ||

This publication and its updates are also available on the Digital Daily website at [www.irs.gov](http://www.irs.gov). In addition, they are available on the Electronic Filing System Bulletin Board System. The Electronic Filing Bulletin Board System (EFSBBS) operates seven days a week. The system is unavailable at 4:00 a.m. Eastern Time for about 30-60 minutes for maintenance. This system provides general Electronic Filing Program information as well as specific information concerning changes to this and other publications.

Filers using an asynchronous modem (14.4 Kbps or less) and communication software can access the bulletin board by dialing:

859-292-0137

The communication software should have the following protocol:  
Full Duplex, No Parity, 8 Data Bits, and 1 Stop Bit.

**HIGHLIGHTS FOR TAX YEAR 2007 continued**

**Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return**

Beginning with the 2008 filing season, tax practitioners can e-file individual income tax returns only if the returns are signed electronically using either the Self-Select or the Practitioner PIN method. Electronic Return Originators will no longer use Form 8453 as a signature document, but will continue to use a newly designed Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return, to transmit supporting documents that are required to be submitted to the IRS. See Attachment 6 for additional information.

Tax Year 2007 Forms 8453 will be processed by the Andover and Austin Submission Processing Centers. Andover will process forms for returns transmitted to Andover and Kansas City. Austin will process forms for returns transmitted to Austin, Fresno and Philadelphia.

Note: Requirements for Tax Year 2007 Form 8453-OL, U.S. Individual Income Tax Declaration for an IRS e-file Online Return, have not changed.

**Electronic Returns signed by Power of Attorney**

If the Form 1040/A/EZ return is signed by an agent that has been specifically authorized to sign the return, the Signed by Power of Attorney (POA) check box (SEQ 1319) and Name of Power of Attorney field (SEQ 1320) on the return record must be completed. A new Paper Document Indicator 13 (SEQ 0183) has been added to the Summary Record to indicate that a Power of Attorney will be submitted with the Form 8453 (U.S. Individual Income Tax Transmittal for an IRS e-file Return) or the Form 8453-OL (U.S. Individual Income Tax Declaration for an IRS e-file Online Return).

**Authentication Record Change**

Due to the elimination of the "signature" Form 8453, the PIN Type Code (SEQ 0008) "blank" has been removed and PIN Type Code (SEQ 0008) "F" (Form 8453-OL Required) has been added to the Authentication Record.

**New Paper Document Indicator 12**

Beginning Tax Year 2007, Paper Document Indicator 12 (SEQ 0182) has been added to the Summary Record to indicate that Worksheets 1 through 4 from Pub. 517, Social Security and Other Information For Members of the Clergy and Religious Workers, will be submitted with Form 8453 or Form 8453-OL.

**Jurat/Disclosure Codes**

The Jurat/Disclosure Codes are updated to include Form 1040-PR/SS, U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico).

## **APPENDIX C**

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### **EMS Communications and Encryption continued**

#### **Configuring Terminal Emulation Software**

A TP may need to provide the following information when he/she is configuring their terminal emulation software.

- **Terminal Name.** Should be something meaningful to the TP.  
This information is not transmitted to EMS.
- **Terminal Type.** Select a member of the Virtual Terminal (VT) family (e.g., VT100 or VT220).
- **SSL Version.** SSL3. In many terminal emulation packages this is a pull-down menu beside the Destination or Host Name and is not labeled. TLS-1 defaults since it is the latest SSL version but SSL-3 must be chosen.
- **Port 992.** This port number is often filled in automatically by the terminal emulation software if Telnet/SSL is chosen.
- **Destination or Host Name.** One of the fully qualified names listed previously.
- **Destination Host Type.** Unix.
- **User Certificate Mode.** No user certificate is required. However, EMS accepts any certificate from the TP. If the TP wants to send a certificate it can be self-generated.
- **Host Certificate.** EMS sends an Entrust certificate, which the terminal emulation software must accept.
- **Certificate Viewing.** If the TP wants to see the certificates being exchanged and the terminal emulation software supports certificate viewing, then this feature should be turned on.
- **Operating System (OS).** If your terminal emulation software asks for an OS, it is asking about the Trading Partner's system, not the EMS system. Enter the local system parameters upon which the terminal emulation software will be running.
- **Data Characters.** Please specify eight bit data characters if your terminal emulation software does not default to it.

The IRS has tested several terminal emulation software packages supporting Telnet-SSL. Many other commercial and open-source packages can also be used as long as they support the Telnet specification RFC 854 and the SSL 3.0 specification. **TPs are encouraged to research and evaluate different terminal emulation software packages,** which can often be evaluated **for** free, to verify the connectivity parameters outlined above.

**SECTION 3 - ACKNOWLEDGEMENT FILE FORMAT**

**.01 Acknowledgement File Components continued**

5. An "A" in the Acceptance Code field of an ACK Key Record indicates that the associated tax return has been accepted as a filed tax return and will be processed in the same manner as a return originally submitted on a paper document. This does not imply that the return will pass all IRS validity checks or post to the IRS Master File without delays.
6. The "D" in the Acceptance Code field of an ACK Key Record indicates that the associated tax return has been identified as a duplicate return, i.e., a tax return record had previously been transmitted and accepted for that Social Security Number.
7. The "R" in the Acceptance Code field of an ACK Key Record indicates that the associated tax return has been rejected due to a fatal error involving the return format, internal consistency, or data errors in a key field. The error(s) must be corrected and the return resubmitted to the IRS to be considered a filed tax return.
8. The "T" in the Acceptance Code field of an ACK Key Record indicates that the entire transmission has been rejected.
9. The "D" in the Duplicate Code field of an ACK Key Record indicates that the DCN is a duplicate or zero.
10. The "P" in the Duplicate Code of an ACK Key Record indicates that the Primary SSN is a duplicate or zero.
11. The "S" in the Duplicate Code of an ACK Key Record indicates that the Spouse SSN is a duplicate or zero.
12. The "B" in the Debt Code of the ACK Key Record indicates that a debt was found on both the FMS and IRS files for this return.
13. The "F" in the Debt Code of the ACK Key Record indicates that a debt was found on the FMS File for this return.
14. An "I" in the Debt Code of the ACK Key Record indicates that a debt was found on the IRS File for this return.
15. The "N" in the Debt Code of the ACK Key Record indicates that no debt was found on either the FMS or IRS Files.
16. The "9" in the PIN Presence Indicator field **indicates** that no PIN is present on the return. Form 8453 or Form 8453-OL is required. ||
17. The "1" in the PIN Presence Indicator field means that taxpayer PIN is present and was entered using the Practitioner PIN method.
18. The "2" in the PIN Presence Indicator field means that taxpayer PIN is present and was entered using the Self-Select PIN method by Practitioner.
19. The "3" in the PIN Presence Indicator field means that taxpayer PIN is present and was entered using the Self-Select PIN method by Online.

**SECTION 3 - ACKNOWLEDGEMENT FILE FORMAT**

**.02 Acknowledgement File Record Layouts continued**

4. ACK RECAP Record - Acknowledgement File Recap Record

Field Identification No.	Form Ref.	Length	Field Description	
-----	-----	-----	-----	
		Byte Count	4	"0126"
		Start of Record Sentinel	4	Value "*****"
0000		Record ID	6	"RECAPb"
0010		Filler	8	Blank
0020		Total EFT Count	6	N
0030		Total Return Count	6	N, Range = (000001 999999)
0040		Electronic Transmitter Identification Number (ETIN)	7	N (includes Transmitter's Use Code)
0050		Julian Day of Transmission	3	N (Must be the same as on the TRANA record)
0060		Transmission Sequence	2	N
0070		Total Accepted Returns	6	IRS USE ONLY
0075		Filler	6	IRS USE ONLY
0080		Total Duplicated Returns	6	IRS USE ONLY
0090		Total Rejected Returns	6	IRS USE ONLY
0100		Total Duplicated EFT	6	IRS USE ONLY
0110		IRS Computed EFT Count	6	IRS USE ONLY
0120		IRS Computed Return Count	6	IRS USE ONLY
0130		Total State-Only Return Count	6	N Range = (000001 999999)
0135		Total Accepted State-Only Returns	6	N Range = (000001 999999)
0137		Filler	5	Blank
0140		Acknowledgement File Name (GTX Key)	20	AN
		Record Terminus Character	1	Value "#"

**SECTION 4 - TYPES OF RECORDS**

**.02 Tax Return Records continued**

**6. STCGL/LTCGL Records**

"STCGL" is the Short Term Capital Gain or Loss Record and "LTCGL" is the Long Term Capital Gain or Loss Record. Each record is considered a separate transaction. These transaction records are used when there is a need to transmit five or more transactions with an electronically filed return. (Use the Schedule D to report four or less for short term and long term transactions.) Each Schedule D and/or F8865 occurrence may have up to 5000 transaction records (i.e., 5000 short term and 5000 long term). The "STCGL" and/or "LTCGL" transaction record must be transmitted prior to the parent form (i.e., Sch. D or 8865). The "STCGL" can be submitted without the "LTCGL" and vice versa. When the "STCGL" or "LTCGL" transaction record is present, then "STCGL" or "LTCGL" record CANNOT be blank. All "STCGL" and/or "LTCGL" transaction records must be in the appropriate numerical order based on occurrence number within subpart occurrence and each set must start with "0000001".

**7. Preparer Note, Election Explanation and Regulatory Explanation Records**

- a. Preparer Note (NTE) records can be used by the paid preparer, electronic return originator or taxpayer to provide additional, voluntary information related to the tax return but not required to be attached to it.
- b. Election Explanation (ELC) records are used when the taxpayer makes an election for certain tax treatment, status, exception or exemption based on an instruction for the tax form or in a related tax publication when there is no official IRS form designed for that purpose. The specific "election" must be cited followed by any explanatory or supporting information required. Multiple elections can be combined on one page record; separate page records can be used for each applicable election; and/or, multiple page records can be used for one election. The maximum number of ELC page records is 20. Enter the terminus character (#) after the last significant character in each ELC page record.

**Examples of Election Explanation statements:**

**(1) Mark-to-Market Election**

To make the mark-to-market election for 2007, you must file a statement by April 17, 2007. This statement should be attached to either your 2006 Individual income tax return or a request for an extension of time to file that return. The statement must include the following information.

- That you are making an election under Section 475(f) of the Internal Revenue Code.
- The first tax year for which the election is effective.
- The trade or business for which you are making the election.

**(2) Net Operating Loss (NOL) Carryback Period**

You can choose not to carry back your NOL. If you make this choice, then you can use your NOL only in the 20-year carryforward period. (This choice means you also choose not to carry back any alternative tax NOL.)

To make this choice, attach a statement to your original return filed by the due date (including extensions) for the NOL year. This statement must show that you are choosing to waive the carryback period under Section 172(b) (3) of the Internal Revenue Code.

**SECTION 4 - TYPES OF RECORDS**

**.02 Tax Return Records continued**

**(3) Electing to ratably accrue**

If you use an accrual method, you can elect to accrue real estate tax related to a definite period ratably over that period.

*Example.* John Smith is a calendar year taxpayer who uses an accrual method. His real estate taxes for the real property tax year, July 1, 2006 to June 30, 2007, are \$1,200. July 1 is the assessment and lien date.

If John elects to ratably accrue the taxes, \$600 will accrue in 2006 ( $\$1,200 \times 6/12$ , July 1 - December 31) and the balance will accrue in 2007.

Separate elections. You can elect to ratably accrue the taxes for each separate trade or business and for non-business activities if you account for them separately. Once you elect to ratably accrue real estate taxes, you must use that method unless you get permission from the IRS to change. See Form 3115.

Making the election. If you elect to ratably accrue the taxes for the first year in which you incur real estate taxes, attach a statement to your income tax return for that year. The statement should show all of the following items.

- The trades or businesses to which the election applies and the accounting method or methods used.
- The period to which the taxes relate.
- The computation of the real estate tax deduction for that first year.

**(4) Start-up costs election statement**

If you elect to amortize your start-up costs, attach a separate statement that contains the following information.

- A description of the business to which the start-up cost relate.
- A description of each start-up cost incurred.
- The month your active business began (or was acquired).
- The number of months in your amortization period which is generally 180 months.

**(5) Election to reduce basis under Section 362(e)(2)(C)**

The transferor and transferee in certain Section 351 transactions can make a joint election under Section 362(e)(2)(C) to limit the transferor's basis in the stock received instead of the transferee's basis in the transferred property. The transferor and transferee may make the election by attaching the statement as provided in Notice 2005-70, 2005-41 I.R.B. 694, to their tax returns filed by the due date (including extensions) for the tax year in which the transaction occurred. Once made, the election is irrevocable. See Section 362(e)(2)(C) and Notice 2005-70.



**SECTION 4 - TYPES OF RECORDS**

**.02 Tax Return Records continued**

c. Regulatory Explanation (REG) records are similar to Election Explanation records and are used when the taxpayer cites a specific regulation for certain tax treatment, status, exception or exemption when there is no official IRS form designed for that purpose. The specific "regulation" must be cited followed by any explanatory or supporting information required. Multiple regulatory explanations can be combined on one page record; separate page records can be used for each applicable regulation cited; and/or, multiple page records can be used for one regulatory explanation. The maximum number of REG page records is 20. Enter the terminus character (#) after the last significant character in each REG page record.

**Example of Regulatory Explanation statement:**

**(1) Transfers to a corporation controlled by the transferor**

If a person receives stock of a corporation in exchange for property, and no gain or loss is recognized under Section 351, the person (transferor) and the transferee must each attach to their tax returns the statements required by Temporary Regulations Section 1.351-3-T.

**8. State Records**

State Records include the Generic Record "STbbbb0001bb" and the Unformatted Record "STbbbb0002bb". There can be only one Generic Record for each return. There can be up to nine Unformatted Records for each return. The Generic Record must be present and must precede any other State Record.

See Section 12 for specifications and examples of the State Records.

**9. Summary Record**

The Summary Record is the final record for each tax return. This record contains electronic filer identification data, the counts for Form, Schedule, Authentication, Statement, Preparer Note, Election Explanation, and Regulatory Explanation Records included in the return, and the paper document indicators. (A value of "1" in a paper document indicator field **indicates** that the paper document specified is a part of the return and has been attached to the Form 8453). It also contains the Electronic Postmark fields, the IP (Internet Protocol) fields and the Software Identification fields.

**The IP Protocol Fields are defined as follows:**

**IP Address** (SEQ 0190) - The IP address of the originating computer from which an Online return was submitted

**IP E-mail Address** (SEQ 0195) - Taxpayer's email address (Not a required field)

**IP Date** (SEQ 0200) - The original date the taxpayer submitted a tax return through Online Filing via the Internet

**IP Time** (SEQ 0210) - The original time the taxpayer submitted a tax return through Online Filing via the Internet

**IP Time Zone** (SEQ 0215) - The time zone of the taxpayer who submitted a tax return through Online Filing via the Internet

**IP Routing Transmit Number** (SEQ 0217) Not a required field - Refund Anticipation Loan; Routing Transmit Number of a financial institution

**IP Depositor Account Number** (SEQ 0219) Not a required field - Taxpayer's bank account information to which a Direct Deposit refund is routed.

**SECTION 7 - FORMATS FOR NAME CONTROLS, NAME LINES, AND ADDRESSES**

The instructions in sub-sections 7.01 through 7.04 must be carefully followed to avoid delaying returns for error conditions. They must be included in electronic filers' programs as consistency tests and in the data entry instructions.

The Primary SSN, Primary Name Control, State Abbreviation, and Zip Code should be key verified to avoid lengthy delays caused by mismatches with existing taxpayer information in IRS records or by undeliverable refund checks.

**.01 Name Controls for Individual Tax Returns**

1. Primary Name Control (SEQ 0050) of Form 1040/1040A/1040EZ must equal the first four significant characters of the primary taxpayer's last name. No leading or embedded spaces are allowed. The first left-most position must contain an alpha character. Only alpha, hyphen, and space are allowed. Omit punctuation marks, titles and suffixes.

Spouse's Name Control (SEQ 0055) of Form 1040/1040A/1040EZ, Dependent Name Control (SEQ 0172, 0182, 0192, 0202, 0212) of Form 1040/1040A, Qualifying Child Name Control (SEQ 0007, 0077) of Schedule EIC, Parent Name Control (SEQ 0045) of Form 8615, and Child Name Control (SEQ 0015) of Form 8814 must meet the same criteria.

The hyphen (-) is the only special character allowed in the IMF Name Control.

**Note: The taxpayer names shown below are fictitious. They were constructed by random selection to appear realistic. Any resemblance to actual names is purely coincidental.**

<u>Individual Name</u>	<u>Name Control</u>	<u>General Rule</u>	
a. John Brown	BROW		
Mary Smith & John Jones	SMIT		
Ralph Teak	TEAK	a. The Name Control generally	
Dorothy Willow	WILL	consists of the first four	
Joe McCedar	MCCE	characters of the primary	
Joe McCarty	MCCA	taxpayer's last name.	
Torn MacDouglas	MACD		
Joseph MacTitus	MACT		
John Hardy, Minor	HARD		
April May Jordan	JORD		
b. John Lea-Smith	LEA-		
Thomas A. El-Oak	EL-O	b. The hyphen (-) is the only	
Rana Al-Smadi	AL-S	special character allowed in	
John O'Neil	ONEI	the Individual Name Control.	
Ann O'Spruce	OSPR		
Mark D'Magnolia	DMAG	NOTE: When a taxpayer's last	
John O'Willow	OWIL	name contains an apostrophe	
		('), ignore/disregard the	
		apostrophe when establishing	
		the Name Control.	
c. Dannette B	B	c. The Name Control may contain	
James P. Ai	AI	less than four characters	
John A. Fir	FIR	(if applicable).	
John Ao, Sr.	AO		
John En, Sr.	EN	NOTE: The first character	
		must be an alpha. Use blanks	
		(when appropriate) to fill	
		in the remaining positions.	

## SECTION 7 - FORMATS FOR NAME CONTROLS, NAME LINES, AND ADDRESSES

## .01 Name Controls for Individual Tax Returns continued

<u>Individual Name</u>	<u>Name Control</u>	<u>General Rule</u>	
d. Daniel P. Di Almond	DIAL	d. Taxpayer names such as "Van",	
Mary J. Van Elm	VANE	"Von", "Vander", "Al", "El",	
Susan L. Von Birch	VONB	"Abu" and "Di" are considered	
Aya Abu Sham	ABUS	part of the Individual Name	
Donald Vander Oak	VAND	Control.	
Otto Von Hickory	VONH		
Nabil Al Feyeze	ALFE	NOTE: See the "Asian-Pacific	
Amr El Bayoumi	ELBA	Names" section for exceptions	
		to this rule.	
e. Janet C. Redbud Laurel	LAUR	e. When two last names are shown	
Dee (Plum) Birch	BIRC	for an individual, derive the	
Mary Johnson Garcia	GARC	name control from the second	
		last name of the primary	
		taxpayer.	
f. Joan Hickory-Hawthorn	HICK	f. When two last names for an	
Dale Redwood-Cedar	REDW	individual are connected by	
John Lea-Wren	LEA-	a hyphen, derive the Individual	
		Name Control from the first	
		last name.	
g. Dell Ash & Linda Birch	ASH	g. On a joint return, whether the	
Trey & Joan Eucalyptus	EUCA	taxpayers use the same or	
Linda Birch & Dell Ash	BIRC	different last names, derive	
Mary Smith & Mike Best	SMIT	the Individual Name Control from	
		the PRIMARY taxpayer's last name.	
		NOTE: The PRIMARY taxpayer is the	
		taxpayer listed first on the tax	
		return.	

2. Consider certain foreign suffixes as part of the last name (i.e., Armah-Bey, Paz-Ayala, Allar-Sid). Particular attention must be given to those names that incorporate a mother's maiden name as a suffix to the last name. This practice is common in **Hispanic** names. Consider the mother's maiden name as part of the surname for Name Control purposes.

Examples:

<u>Individual Name</u>	<u>Name Control</u>	<u>General Rule</u>	
a. Abdullah Allar-Sid	ALLA	a. When "del," "de," or "de la"	
Jose Alvarado Nogales	ALVA	appear with a Hispanic name,	
Juan de la Rosa Y Obregon	DELA	include it as part of the	
Pedro Paz-Ayala	PAZ-	Individual Name Control.	
Donald Vander Neut	VAND		
Otto Von Wodtke	VONW		
John Smith Gonzalez	GONZ		
Maria Acevedo Smith	SMIT		
John Garcia Garza Hernandez	GARZ		
Elena del Valle	DELV		
Eduardo de la Rosa	DELA		
Pablo De Martinez	DEMA		
Miguel de Torres	DETO		
Juanita de la Fuente	DELA		
B.A. De Rodriguez	DERO		
M.D. de Garcia	DEGA		

**SECTION 7 - FORMATS FOR NAME CONTROLS, NAME LINES, AND ADDRESSES**

**.01 Name Controls for Individual Tax Returns continued**

<u>Individual Name</u>	<u>Name Control</u>	<u>General Rule</u>	
<b>b. Juan Garza Morales</b>	<b>GARZ</b>	<b>b. When two Hispanic last names</b>	<b>  </b>
<b>Maria Lopez y Moreno</b>	<b>LOPE</b>	<b>are shown for an individual,</b>	<b>  </b>
<b>Sylvia Juarez de Garcia</b>	<b>JUAR</b>	<b>derive the Name Control</b>	<b>  </b>
		<b>from first last name.</b>	<b>  </b>

**NOTE:** This rule may not accurately identify all Hispanic last names, but it does provide consistency in IRS Hispanic Name Controls. ||  
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||  
||  
||

3. Below are examples of **Asian-Pacific** last names and the derivative Name Control. Some Indo-Chinese names have only two characters. ||  
||

<u>Individual Name</u>	<u>Name Control</u>	<u>General Rule</u>	
<b>a. Binh To <u>La</u></b>	<b>LA</b>	<b>a. Some Asian-Pacific last names</b>	<b>  </b>
<b>b. Nam Quoc <u>Tran</u> &amp; Thuy Thanh Vo</b>	<b>TRAN</b>	<b>b. Asian Pacific females rarely change their last names due to marriage.</b>	<b>  </b> <b>  </b> <b>  </b>
<b>c. Dang Van <u>Le</u></b> Nhat Thi <u>Pham</u>	<b>LE</b> <b>PHAM</b>	<b>c. When "Van" (male) or "Thi" (female) appears with an Asian-Pacific name, do not include it as part of the name control.</b>	<b>  </b> <b>  </b> <b>  </b> <b>  </b> <b>  </b>
<b>d. Kim Van <u>Nguyen</u> &amp; Thi Tran</b>	<b>NGUY</b>	<b>d. The name "Nguyen" is a common last name used by both male and female Asian-Pacific taxpayers.</b>	<b>  </b> <b>  </b> <b>  </b>
<b>e. <u>Kwan</u>, Kim Van &amp; Yue Le</b>	<b>KWAN</b>	<b>e. The last name may appear first on the name line.</b>	<b>  </b> <b>  </b>
		<b>NOTE:</b> On the signature line, the last name often appears first.	<b>  </b> <b>  </b> <b>  </b>
<b>f. Yen-Yin <u>Chiu</u></b> Jin-Zhang <u>Qui</u>	<b>CHIU</b> <b>QUI</b>	<b>f. Asian-Pacific first names often include a hyphen (-). Rarely is an Asian-Pacific taxpayer's last name hyphenated.</b>	<b>  </b> <b>  </b> <b>  </b> <b>  </b> <b>  </b>

SECTION 7 - FORMATS FOR NAME CONTROLS, NAME LINES, AND ADDRESSES

.01 Name Controls for Individual Tax Returns continued

4. Below are examples of Name Control for Native Americans:

<u>Individual Name</u>	<u>Name Control</u>	<u>General Rule</u>	
a. Earline <u>Old Person</u>	OLDP	a. Native American surnames may	
Spike <u>Big Horn</u>	BIGH	contain several words.	
Spike <u>Bighorn</u>	BIGH		
Mary <u>Between Lodges</u>	BETW		
Gail <u>George Moonface</u>	GEOR		
Night & James Lou		NOTE: Begin the Name Control	
Mary <u>Her Many Horses</u>	HERM	with the first word of the	
		surname (unless the taxpayer's	
		already established with a	
		different name control that	
		agrees with the name control	
		from the Social Security	
		Administration (SSA)).	

5. Below are examples of Name Control for Estates:

<u>Individual Name</u>	<u>Name Control</u>	<u>General Rule</u>	
a. Frank <u>Walnut</u> , Estate	WALN	a. The Name Control is the first	
Alan Beech, Exec.		four characters of the	
Estate of Jan <u>Popular</u>	POPU	individual's last name.	
Jane J. <u>Maple</u> Estate	MAPL		
		NOTE: The decedent's name	
		may be followed Estate	
		on the name line.	

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**02. Taxpayer Eligibility Requirements for the Self-Select PIN Method**

The following taxpayers are eligible to use this option:

- Taxpayers who are eligible to file Form 1040, 1040A, 1040EZ or **1040-SS (PR)** for Tax Year **2007**. |
- Taxpayers who did not file for Tax Year **2006**, but have filed previously. |
- Taxpayers who are age 16 or older on or before December 31, **2007**, who have never filed a tax return. |
- Primary taxpayers under age 16 who have filed previously.
- Secondary taxpayers under age 16 who have filed in the immediate prior year.
- Military personnel residing overseas with APO/FPO addresses.
- U.S. Citizens and resident aliens residing in the American Possessions of the Virgin Islands, Puerto Rico, America Samoa, Guam and Northern Marianas, or with foreign country addresses.
- Taxpayers filing a Form 4868 (extension of time to file) or Form 2350 (extension for certain U.S. citizens living aboard).
- Those who are filing on behalf of deceased taxpayers.
- **Taxpayers using a tax practitioner and required to file the following forms, which must be attached to Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return:** ||
- Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes (or acceptable documentation/required donor documentation) ||
- **Form 2848, Power of Attorney and Declaration of Representative (only for an electronic return signed by an agent)** ||
- Form 3115, Application for Change in Accounting Method ||
- Form 3468, Computation of Investment Credit (if Historic Structure Certificate is required) **attach a copy of the first page of NPS Form 10-168a, Historic Preservation Certification Application (Part 2 - Description of Rehabilitation), with an indication that it was received by the Department of the Interior or the State Historic Preservation Officer, together with proof that the building is a certified historic structure (or that such status has been requested)** ||
- Form 4136, Credit for Federal Tax Paid on Fuels (if certificate and/or reseller statement is required) - **attach the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller** ||
- Form 5713, International Boycott Report ||
- Form 8283, Non-Cash Charitable Contributions, Section A (if any statement or qualified appraisal is required) or Section B, Donated Property, and any related attachments (including any qualified appraisal or partnership Form 8283) ||
- Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents (or certain pages from a post-1984 decree or agreement, see instructions) ||
- Form 8858, Information Return of U.S. Persons with Respect to Foreign Disregarded Entities ||

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**02. Taxpayer Eligibility Requirements for the Self-Select PIN Method**

- Form 8864, Biodiesel and Renewable Diesel Fuels Credit attach the certificate for Biodiesel and, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller
- Form 8885, Health Coverage Tax Credit, and all required attachments
- Schedule D-1, Continuation Sheet for Schedule D (Form 1040) (or a statement with the same information), if you elect not to include your transactions on the electronic short-term capital gain (loss) or long-term capital gain (loss) records
- Worksheets 1 through 4 from Pub. 517, Social Security and other Information for Members of the Clergy and Religious Workers (or other statement showing the required information and computations)

The following taxpayers **are NOT** eligible to participate:

- Primary taxpayers under age 16 who have never filed.
- Secondary taxpayers (spouse) under age 16 who did not file in the immediate prior year.
- Taxpayers **who do not use a tax practitioner and are** required to file the following forms, which must be attached to Form 8453-OL, U.S. Individual Income Tax Declaration for an IRS e-file Online Return:
  - Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes (or acceptable documentation/required donor documentation)
  - **Form 2848, Power of Attorney and Declaration of Representative (only for an electronic return signed by an agent)**
  - Form 3115, Application for Change in Accounting Method
  - Form 3468, Computation of Investment Credit (if Historic Structure Certificate is required) **attach a copy of the first page of NPS Form 10-168a, Historic Preservation Certification Application (Part 2 - Description of Rehabilitation), with an indication that it was received by the Department of the Interior or the State Historic Preservation Officer, together with proof that the building is a certified historic structure (or that such status has been requested)**
  - Form 4136, Credit for Federal Tax Paid on Fuels (if certificate and/or reseller statement is required) **- attach the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller**
  - Form 5713, International Boycott Report
  - Form 8283, Non-Cash Charitable Contributions, Section A **(if any statement or qualified appraisal is required)** or Section B, Donated Property, and any related attachments **(including any qualified appraisal or partnership Form 8283)**
  - Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents **(or certain pages from a post-1984 decree or agreement, see instructions)**
  - Form 8558, Information Return of U.S. Persons with Respect to Foreign Disregarded Entities
  - Form 8864, Biodiesel and Renewable Diesel Fuels Credit attach the certificate for Biodiesel and, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller
  - Form 8885, Health Coverage Tax Credit, and all required attachments
  - Schedule D-1, Continuation Sheet for Schedule D (Form 1040) (or a statement with the same information), if you elect not to include your transactions on the electronic short-term capital gain (loss) or long-term capital gain (loss) records
  - Worksheets 1 through 4 from Pub. 517, Social Security and other Information for Members of the Clergy and Religious Workers (or other statement showing the required information and computations)

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**03. What is the Practitioner PIN method?**

The Practitioner PIN method is another electronic signature option for taxpayers to e-file using a five digit PIN. The taxpayer chooses any five digits, except ALL zeros, as their PIN signature and must use an Electronic Return Originator (ERO) to e-file under this method. A PIN is needed for each taxpayer if filing a joint return, and each can choose any five numbers.

NOTE: The taxpayer's Date of Birth and Prior Year Adjusted Gross Income or Prior Year PIN are not required.

The Practitioner PIN method offers another signature option as well for EROs to use in preparing and transmitting Forms 1040, 1040A, 1040EZ, and **1040-SS (PR)** to IRS.

If the taxpayer agrees, it is acceptable for an ERO and/or software program to generate or assign the taxpayer PIN. The taxpayer consents to the ERO's choice by completing and signing an IRS e-file signature authorization containing the intended taxpayer PIN. The taxpayer PIN can be systemically generated or manually assigned into the electronic format and/or the signature authorization form. However, the ERO must receive the signature authorization signed by taxpayer(s) before they transmit the return or release it for transmission to the IRS.

See Questions and Answers for the Practitioner PIN method at the end of this Section.

**04. Taxpayer Eligibility Requirements for the Practitioner PIN Method**

The following taxpayers are eligible to use this option:

- Taxpayers who are eligible to file Forms 1040, 1040A, 1040EZ or **1040-SS (PR) for Tax Year 2007**.
- Military personnel residing overseas with APO/FPO addresses.
- U.S. citizens and resident aliens residing in the American Possessions of the Virgin Islands, Puerto Rico, America Samoa, Guam and Northern Marianas, or with foreign country addresses.
- Taxpayers filing a Form 4868 (extension of time to file).
- Those who are filing on behalf of deceased taxpayers.

**There is no age restriction on who can use the Practitioner PIN method; everyone is eligible to use the Practitioner PIN method.**

**.05 Data Validation**

The following information must be present for the taxpayer when using the Self-Select PIN option for e-file:

**Primary Taxpayer:**

Social Security Number  
Name Control  
Date of Birth  
Prior Year Adjusted Gross Income (AGI) - AND/OR Prior Year PIN  
(prior to any adjustment or change by IRS)

NOTE: Taxpayers may provide both prior year AGI and PIN but must match one to be authenticated.



**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.06 IRS e-file Signature Authorizations**

1. Form 8879, IRS e-file Signature Authorization, is used to authorize an Electronic Return Originator to enter the taxpayer's self-select personal identification number (PIN) as the taxpayer's signature on electronically filed Forms 1040, 1040A, 1040EZ and **1040-SS (PR)** income tax returns. Form 8879 is provided as a convenience when the taxpayer is unavailable or unable to return to the office, or it is inconvenient for the taxpayer to personally sign the electronically prepared income tax return.
2. If the taxpayer agrees, it is acceptable for an ERO and/or software program to generate or assign the taxpayer PIN. The taxpayer consents to the ERO's choice by completing and signing an IRS e-file signature authorization containing the intended taxpayer PIN. The taxpayer PIN can be systemically generated or manually assigned into the electronic format and/or the signature authorization form. However, the ERO must receive the signature authorization signed by taxpayer(s) before they transmit the return or release it for transmission to the IRS. This guideline refers to returns filed using the Self-Select or Practitioner PIN method.
3. The practitioner will provide Form 8879 to the taxpayer along with a copy of the completed tax return personally or by U.S. mail, private delivery service, e-mail, or an Internet web site. Upon review of their tax return, the taxpayer(s) complete Part II of Form 8879 with their PIN, signature and date. The taxpayer must return the form to the ERO either personally, by U.S. mail, private delivery service, or FAX transmission. The ERO must retain the completed Form 8879 as instructed on the form.
4. Form 8878, IRS e-file Signature Authorization on Application for Extension of Time to File, is used for taxpayers to authorize the ERO to enter the taxpayer's PIN on one of several extension of time to file applications processed through Electronic Transmitted Documents (ETD) programs. Form 8879 procedures above also apply to Form 8878.
5. Electronic Funds Withdrawals accompanying Form 4868 can be signed using the Practitioner PIN method. A Form 8878 must be completed by all taxpayers who use this method. Note that a signature is only required to authorize the funds withdrawal. There is no signature requirement for the Form 4868 itself. See Part III of this publication for additional information on ETD programs.
6. When finalized, Forms 8879 and 8878 and instructions for use with Tax Year **2007** e-file will be available at [www.irs.gov](http://www.irs.gov) (click on "Forms and Pubs", then "Forms and Instructions"). Tax Year **2007** forms will be posted on the IRS website as soon as possible; however, they may not be available at the time this document is published.
7. Beginning Tax Year 2005, Forms 8879 and 8878 were revised to include the Electronic Funds Withdrawal (EFW) statement in the Part II. When either of these forms is used a separate EFW statement does not have to be provided to the taxpayer.
8. Exhibits of Forms 8879 and 8878 **can be found under** [www.irs.gov](http://www.irs.gov).

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.07 Jurat/Disclosure Guidelines continued**

10. The following table includes the valid Jurat Disclosure Codes for electronically filed Tax Year **2007** Forms 1040, 1040A, 1040EZ and **1040-SS (PR)**.

The codes (e.g. P1,C1,T1) in the third column identify the possible selections for each jurat version.

11. Some text selections are required only when a specific condition exists. The jurat version display pages include a reference to these selections. Complete text is displayed on the page entitled "Special Condition Text Selections". Text for these selections MUST BE included when they apply to the taxpayer's filing situation. For example, include Selection D1 for all returns with an Electronic Funds Withdrawal (EFW), and use Selection T8 for decedent returns when a Form 1310 is attached. **NOTE: Decedent returns can not be filed on Form 1040-SS (PR).**

<b>Tax Year 2007 Jurat Disclosure Codes</b> Form 1040 Series - Forms 1040, 1040A, 1040EZ, <b>1040-SS (PR)</b>			
<b>Jurat/ Disclosure Code</b>	<b>Title</b>	<b>Required Screen/ Graphic Selections</b>	<b>Comments</b>
<b>A</b>	<i>Online Self-Select PIN Method</i> <i>Form 1040,A,EZ,SS (PR)</i>		<b>Prepared by:</b> Taxpayer on personal computer <b>Transmitted by:</b> Intermediate Service Provider (ISP) or transmitter <b>Signatures:</b> Taxpayer(s) signs with a PIN
	• Without electronic funds withdrawal	P1,C1,T1	
	• If Decedent return with Form 1310 attached, also include... <i>(1040-SS (PR) not applicable)</i>	T8	
	• With electronic funds withdrawal	P1,C1,D1, T1	
<b>B</b>	<b>Regular Online Filing</b> <b>Form 1040,A,EZ,SS (PR)</b> <b>Form 8453-OL Required</b>		<b>Prepared by:</b> Taxpayer on personal computer <b>Transmitted by:</b> ISP or transmitter <b>Signatures:</b> Form 8453-OL required Taxpayer(s) does not sign with a PIN
	• Without electronic funds withdrawal	C3,T2	
	• If Decedent return with Form 1310 attached, also include... <i>(1040-SS (PR) not applicable)</i>	T8	
	• With electronic funds withdrawal	C3,T2	
<b>C</b>	<i>Self-Select PIN Method by ERO</i> <i>Form 1040,A,EZ,SS (PR)</i>		<b>Prepared by:</b> Preparer/ERO <b>Transmitted by:</b> ERO <b>Signatures:</b> Taxpayer(s) signs with a PIN ERO - EFIN/PIN
	• Without electronic funds withdrawal	E1,P1,C1, T1	
	• If Decedent return with Form 1310 attached, also include... <i>(1040-SS (PR) not applicable)</i>	T8	
	• With electronic funds withdrawal	E1,P1,C1, D1,T1	
<b>D</b>	<i>Practitioner PIN Method</i> <i>Form 1040,A,EZ,SS (PR)</i>		<b>Prepared by:</b> Preparer/ERO <b>Transmitted by:</b> ERO <b>Signatures:</b> Taxpayer(s) signs with a PIN Paid Preparer's EFIN/PIN NOTE: Form 8879, IRS e-file Signature Authorization, Including Part III, is required. Taxpayer prior year AGI/Taxpayer PIN, and Date of Birth not required.
	• Without electronic funds withdrawal	E1,P1,C1, T6	
	• If Decedent return with Form 1310 attached, also include... <i>(1040-SS (PR) not applicable)</i>	T8	
	• With electronic funds withdrawal (See Selection D1 explanations to follow)	E1,P1,C1,T6	
<b>BLANK</b>			Form 8453 is required.

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.08 Jurat Language Text Selections continued**

**Selection T5 (ETD only) See Part III of this document**

**Reserved - not available for Tax Year 2007**

||

**Selection T6**

**Use this signature selection for returns filed using the Practitioner PIN method. ERO is required to retain Form 8879, IRS e-file Signature Authorization, that has been signed by the taxpayer(s)**

**I am signing this Tax Return and Electronic Funds Withdrawal Consent, if applicable, by entering my PIN below.**

-----  
Taxpayer's PIN: \_ \_ \_ \_ \_

Date \_ \_ \_ \_ \_

Spouse's PIN: \_ \_ \_ \_ \_

**Selection T7 (ETD only) See Part III of this document**

**Selection T8 - Decedent Returns only with Form 1310 attached**

**Must be included with all Decedent Returns when Form 1310 is attached. Use this selection only for Form 1040, 1040A, or 1040EZ Decedent returns that are filed with a Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer. If both taxpayers are shown as decedents on this return, two Forms 1310 are required, and T8 information must be completed for each decedent.**

-|

**Form 1310 Signature and Verification**

Completion of this section indicates that I am requesting a refund of taxes overpaid by or on behalf of the decedent. Under penalties of perjury, I declare that I have examined this Form 1310 claim, and to the best of my knowledge and belief, it is true, correct, and complete.

-----  
\_\_\_\_\_  
Signature of person claiming refund (35 character limit)

\_\_\_\_\_  
Date

**Selection T9 (ETD only) See Part III of this document**

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.11 Self-Select PIN Method Questions and Answers**

**1. What is the Self-Select PIN Method?**

The Self-Select PIN (Personal Identification Number) method allows taxpayers to electronically sign their e-filed return by using a five-digit PIN as their signature. The five-digit PIN can be any five numbers except all zeros. The taxpayer will need to know their original prior year Adjusted Gross Income or PIN from their prior year (Tax Year **2006**) tax return and their Date of Birth or verification purpose. It eliminates the requirement for Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Return in most cases. When an electronic signature is chosen, no signature documents are required to be filed with the IRS.

**2. Who is eligible to use the Self-Select PIN method to sign their return?**

The following taxpayers are eligible to use the Self-Select PIN method:

- Taxpayers who are eligible to file Forms 1040, 1040A, 1040EZ, or **1040-SS (PR)** for Tax Year **2007**.
- Taxpayers who did not file for Tax Year **2006**, but have filed previously.
- Taxpayers who are age 16 or older on or before December 31, **2007**, who have never filed a tax return.
- Primary taxpayers under age 16 who have filed previously.
- Secondary taxpayers under age 16 who have filed in the immediate prior year.
- Military personnel residing overseas with APO/FPO addresses.
- U.S. Citizens and resident aliens residing in the American Possessions of the Virgin Islands, Puerto Rico, American Samoa, Guam and Northern Marianas, or with foreign country addresses.
- Taxpayers filing a Form 4868 (extension of time to file), or Form 2350 (extension for certain U.S. citizens living aboard).
- Those who are filing on behalf of deceased taxpayers.
- **Taxpayers using a tax practitioner and required to file the following forms, which must be attached to Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return:**
  - Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes (or acceptable documentation/required donor documentation)
  - **Form 2848, Power of Attorney and Declaration of Representative (only for an electronic return signed by an agent)**
  - Form 3115, Application for Change in Accounting Method

**.11 Self-Select PIN Method Questions and Answers continued**

- Form 3468, Computation of Investment Credit (if Historic Structure Certificate is required) **attach a copy of the first page of NPS Form 10-168a, Historic Preservation Certification Application (Part 2 - Description of Rehabilitation), with an indication that it was received by the Department of the Interior or the State Historic Preservation Officer, together with proof that the building is a certified historic structure (or that such status has been requested)**
- Form 4136, Credit for Federal Tax Paid on Fuels (if certificate and/or reseller statement is required) **- attach the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller**
- Form 5713, International Boycott Report
- Form 8283, Non-Cash Charitable Contributions, Section A **(if any statement or qualified appraisal is required)** or Section B, **Donated Property, and any related attachments (including any qualified appraisal or partnership Form 8283)**
- Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents **(or certain pages from a post-1984 decree or agreement, see instructions)**
- Form 8858, Information Return of U.S. Persons with Respect to Foreign Disregarded Entities
- Form 8864, Biodiesel and Renewable Diesel Fuels Credit - **attach the certificate for Biodiesel and, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller**
- Form 8885, Health Coverage Tax Credit, **and all required attachments**
- Schedule D-1, Continuation Sheet for Schedule D (Form 1040) **(or a statement with the same information), if you elect not to include your transactions on the electronic short-term capital gain (loss) or long-term capital gain (loss) records**
- Worksheets 1 through 4 from Pub. 517, Social Security and other Information for Members of the Clergy and Religious Workers **(or other statement showing the required information and computations)**

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.11 Self-Select PIN Method Questions and Answers continued**

**3. Are there any taxpayers not eligible to use the Self-Select PIN method?**

The following taxpayers are not eligible to use the Self-Select PIN method:

- Primary taxpayers under age 16 that have never filed.
- Secondary taxpayers (spouse) under age 16 that did not file in the immediate prior year.
- Taxpayers **who do not use a tax practitioner and are** required to file the following forms, which must be attached to Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Returns or Form 8453-OL, U.S. Individual Income Tax Declaration for an IRS e-file Online Return:
  - Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes (or acceptable documentation/required donor documentation)
  - **Form 2848, Power of Attorney and Declaration of Representative (only for an electronic return signed by an agent)**
  - Form 3115, Application for Change in Accounting Method
  - Form 3468, Computation of Investment Credit (if Historic Structure Certificate is required) - **attach a copy of the first page of NPS Form 10-168a, Historic Preservation Certification Application (Part 2 - Description of Rehabilitation), with an indication that it was received by the Department of the Interior or the State Historic Preservation Officer, together with proof that the building is a certified historic structure (or that such status has been requested)**
  - Form 4136, Credit for Federal Tax Paid on Fuels (if certificate and/or reseller statement is required) - **attach the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller**
  - Form 5713, International Boycott Report
  - Form 8283, Non-Cash Charitable Contributions, Section A (if any statement or qualified appraisal is required) or Section B, Donated Property, and any related attachments (including any qualified appraisal or partnership Form 8283)
  - Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents (or certain pages from a post-1984 decree or agreement, see instructions)
  - Form 8858, Information Return of U.S. Persons with Respect to Foreign Disregarded Entities
  - Form 8864, Biodiesel and Renewable Diesel Fuels Credit - **attach the certificate for Biodiesel and, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller**
  - Form 8885, Health Coverage Tax Credit, and all required attachments
  - Schedule D-1, Continuation Sheet for Schedule D (Form 1040) (or a statement with the same information), if you elect not to include your transactions on the electronic short-term capital gain (loss) or long-term capital gain (loss) records
  - Worksheets 1 through 4 from Pub. 517, Social Security and other Information for Members of the Clergy and Religious Workers (or other statement showing the required information and computations)

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.11 Self-Select PIN Method Questions and Answers continued**

**4. How can the taxpayer get their original AGI or prior year PIN if they did not bring in last year's tax return or they are a new client?**

The taxpayer may call the IRS toll free number at 1-800-829-1040. If they can provide certain information to the Customer Service Representative (such as their name, SSN and current address), they may receive the original AGI amount or prior year PIN over the phone or they may request a free transcript. Allow 7 to 10 days to receive the transcript. (Taxpayer should be sure to ask for the Original AGI **so you can file electronically using the Self-Select PIN method**). ||

**5. If the taxpayer has never filed a tax return or did not need to file a tax year **2006** return, what amount do they enter for the original AGI or prior year PIN?** |

Enter zero ("0") for the original AGI. Do not leave this field blank. The return will reject if the field is left blank for a zero amount. However, the prior year PIN field should be left blank.

**6. If the taxpayer changed filing status from their 2005 tax return, what Adjusted Gross Income (AGI) do I use?**

If the change is *to* Married Filing Jointly, then each taxpayer will use their individual original total Adjusted Gross Income amount or PIN from their respective **2006** tax returns. |

If the change is *from* Married Filing Jointly, then each taxpayers will use the same original total Adjusted Gross Income amount or PIN from the **2006** joint return. |

**7. What AGI amount should be used for a taxpayer that filed jointly with a different spouse in the prior year?**

Use the AGI amount or PIN from the joint return filed with the ex-spouse.

**8. What AGI amount should be used when one taxpayer of the joint return earned all the wages?**

Both taxpayers on the joint return will use the total AGI amount from the originally filed return. The AGI amount should not be divided between the primary and the spouse.

**9. If my client filed an amended tax return last year, what AGI amount or PIN should they use?**

Your client must use the Original AGI amount or PIN from the originally filed return. The return will reject if the amended AGI amount is used.

**10. If my client filed their prior year tax return after April 15, what AGI amount should they use?**

If you clients' TY **2006** tax return was not received and processed by IRS by December 9, **2007**, they must enter "0" (zero) as their AGI amount. In the event their return is rejected due to a mismatch of AGI, they can resubmit their return using their actual values. |

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.11 Self-Select PIN Method Questions and Answers continued**

**11. If my clients' prior year AGI is negative what should they use?**

If your client's prior year AGI is negative, they need to enter the AGI as a negative amount.

**12. How is the return signed if I do not want to enter a PIN?**

If you file online, you will need to sign Form 8453-OL, U.S. Individual Income Tax Declaration for an IRS e-file Online Return, and mail it to the IRS. If you file electronically using a tax professional then the return must be signed by using a PIN.

**13. If the taxpayer uses a PIN and owes taxes, can they pay the balance due electronically?**

Yes. Taxpayers who use a PIN may pay their balance due by electronic funds withdrawal or credit card.

**14. Are all taxpayers who file electronically and sign with a PIN required to pay any balance due electronically?**

No. Taxpayers who prefer to pay by check or money order should file Form 1040-V, Payment Voucher. Form 8879, IRS e-file Signature Authorization, should not be used to transmit any payments.

**15. Is the Self-Select PIN a Universal PIN?**

No. It is used as the taxpayer's electronic signature on their Individual Income Tax Return only. Taxpayers may also use it as a piece of authentication when filing their next year tax return with the Self-Select PIN method.

**16. Can the taxpayer use the same PIN next year?**

Yes, or they may choose any 5 numbers except all zeroes.

**17. What happens if two taxpayers select and use the same PIN to sign their return?**

It is acceptable for two taxpayers to choose the same five digit PIN. The taxpayer's personal information provided to the IRS is used to verify the taxpayer's identity.

**18. What is the Prior Year PIN?**

The Prior Year PIN is the PIN the taxpayer used to sign their previous year tax return.

**19. How would my client get a copy of their Prior Year PIN?**

EROs will need to provide taxpayers with documentation that has the PIN on it. Tax preparation software should be capable of providing the taxpayer with a copy of the PIN used in their current tax return so that it will be available for them to use as their shared secret the next year. As a suggestion, the PIN can be pre-printed on the signature line (SEQ 1321/1324) of the tax return to avoid additional paper generation.



**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.11 Self-Select PIN Method Questions and Answers continued**

**20. What PIN does the taxpayer use when the prior year return was originally rejected and the corrected return was retransmitted with a different PIN?**

The PIN that was entered on the e-file accepted tax return is the PIN the taxpayer must use to authenticate themselves.

**21. Do both taxpayers filing a joint return need a PIN?**

Yes, each taxpayer must sign using a PIN. The taxpayers will choose any five digits, except all zeros, as the electronic signatures.

**22. What should I do if my client is unable to return to my office to input his/her PIN?**

Your client may authorize you to input his/her PIN by completing Form 8879, IRS e-file Signature Authorization. Provide Form 8879 to the taxpayer along with a copy of the completed tax return, either personally or by mail. Instruct your client to review the tax return for accuracy and complete the Form 8879 by providing the requested information (a self-selected five-digit PIN, pen and ink signature, and date). If your client is unable to return the signed Form 8879 to your office, he/she may return it by mail or FAX.

**23. What is Form 8879, IRS e-file Signature Authorization?**

Form 8879, IRS e-file Signature Authorization allows the tax professional to input the taxpayer's PIN. It is provided as a convenience for taxpayers who are unavailable to personally enter their PIN. **It is also required for all returns signed using the Practitioner PIN method or when the ERO generated or assigned the taxpayers PIN.**

**24. Where can I obtain a copy of Form 8879?**

Some tax preparation software includes Form 8879, IRS e-file Signature Authorization format. A copy can also be obtained from the IRS website, [www.irs.gov](http://www.irs.gov). A Spanish version, Form 8879-SP, is also available on the website.

**25. Must I use Form 8879 for every e-file return I file using the Self-Select PIN Method?**

No. Form 8879 is only required when one or both taxpayers are unavailable to personally enter their PIN, or **when the ERO has generated or assigned the taxpayer's PIN. However, it is required for all returns signed using the Practitioner PIN method.**

**26. Can the taxpayer give me their PIN verbally for me to enter in their electronic record?**

Yes. The taxpayer may give you their PIN verbally; however, you must receive a completed Form 8879, IRS e-file Signature Authorization, from the taxpayer before you transmit the return or release it for transmission to the IRS.

**27. Is it acceptable for an ERO to enter the taxpayer's PIN in the electronic return format before Form 8879 is generated.**

Yes, the taxpayer PIN can be entered into the electronic return format prior to generation of the Form 8879. However, the ERO must receive a completed Form 8879 signed by the taxpayer before you transmit the return or release it for transmission to the IRS.

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.11 Self-Select PIN Method Questions and Answers continued**

**35. Do I provide a copy of the completed Form 8879 to the taxpayer for their records?**

Provide a copy of the completed Form 8879 to those taxpayers requesting one. You may provide a copy to other taxpayers, but you are not required to do so.

However, EROs will need to provide taxpayers with a copy of Form 8879 if the current year PIN is assigned by the ERO or generated by the software. The taxpayer may need the PIN to use as their shared secret the next year.

**36. Can a preparer enter the taxpayer's PIN on an Application for Extension of Time to File?**

Yes. Form 8878, IRS e-file Signature Authorization for **Form 4868 and Form 2350** is available for taxpayers to authorize the ERO input of their PIN on Forms 4868 and 2350. Form 8878 is included in some software packages. A copy can be obtained from the IRS website, [www.irs.gov](http://www.irs.gov). A Spanish version, Form 8878-SP, is also available on the website.

**37. Do I have to mail Form 8879 or Form 8878 to the IRS?**

No. Retain the completed Form 8879 and Form 8878 in your file for three years from the Return Due Date or IRS Received Date, whichever is later. In addition, Form 8879 should not be used as a transmittal to fax documents or submit payments to IRS.

**38. Is it acceptable for an Electronic Return Originator (ERO) to electronically image and store Form 8879, IRS e-file Signature Authorization, and Form 8878, IRS e-file Signature Authorization for Form 4868 or Form 2350, and meet the document retention requirement?**

Yes, an ERO may electronically image and store Forms 8879 and 8878 if the ERO's storage system satisfies the requirements of Rev. Proc. 97-22, Retention of Books and Records. In brief, Rev. Proc. 97-22 requires that the electronic storage system must ensure an accurate and complete transfer of the hard copy or computerized records to an electronic storage media. In addition, all records reproduced by the electronic storage system must exhibit a high degree of legibility and readability (including the taxpayer's signature) when displayed on a video display terminal and when reproduced in hard copy.

**39. How do I know the IRS received the Self-Select PIN?**

When you receive your Acknowledgement Record, all accepted returns will have the Self-Select PIN Presence Indicator. The following value will be returned:

"9" = No PIN Present. (Form 8453-OL Required)  
"1" = Practitioner PIN  
"2" = Self-Select PIN by Practitioner Used  
"3" = Self-Select PIN by Online Used  
"4" = State Only, No PIN. (Form 8453 or 8453-OL is Not Required)  
"Blank" = Return Rejected with PIN

**40. What is an ERO PIN?**

The ERO PIN is the ERO's electronic signature. For consistency, each ERO is encouraged to use the same 11 numbers for their PIN on all returns for this filing season. The first 6 positions of your ERO PIN must be your EFIN and it must match the **EFIN in the** DCN. You may select any 5 digits, except all zeros, for the next five positions. It does not take place of the taxpayer's PIN. A taxpayer PIN is also required.

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.11 Self-Select PIN Method Questions and Answers continued**

**41. Will the ERO PIN be acknowledged as well?**

If the ERO PIN is not present, the return will reject displaying an error reject code.

**42. Where can I receive a copy of the Error Reject Codes for the Self-Select PIN method?**

The Error Reject Codes can be found in the Publication 1346, Electronic Return File Specification and Record Layouts for Individual Income Tax Returns for Tax Year 2007, Part I, Section 13, Subsection 10. These error reject codes are also available by visiting [www.irs.gov](http://www.irs.gov) under the title "2007 Tax Year IRS e-file for Individual Income Tax Returns" (formerly Publication 1345-A).

**43. Why is a Date of Birth required with Self-Select PIN method?**

The Date of Birth is required as part of the authentication process for the taxpayer. It will be matched against Social Security Records. The return will not be rejected this year if the Date of Birth does not match. However, the Acknowledgement Record will contain the field Date of Birth Validity Code. It will advise you if the dates of birth submitted were valid or mismatched. The following values will be returned.

"0" = Date of Birth Validation Not Required  
"1" = All Dates of Birth Valid  
"2" = Primary Date of Birth Mismatch  
"3" = Spouse Date of Birth Mismatch  
"4" = Both Dates of Birth Mismatch

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.12 Practitioner PIN Method Questions and Answers**

**1. What is the Practitioner PIN method?**

The Practitioner PIN is an additional signature method for taxpayers who use an Electronic Return Originator (ERO) to sign their return by entering a five digit PIN. The PIN can be any five digits except ALL zeros. When an electronic signature is chosen, no signature documents are required to be filed with the IRS.

**2. Do I need any specific forms to use the Practitioner PIN method?**

Taxpayers must complete Form 8879, IRS e-file Signature Authorization, for returns using the Practitioner PIN method. Taxpayers can either enter their own PIN or authorize the ERO to enter their PIN for them when completing Form 8879.

**3. Who is eligible to use the Practitioner PIN method?**

The following taxpayers are eligible to use the Practitioner PIN method:

- Taxpayers who are eligible to file Form 1040, 1040A, 1040EZ or 1040-SS (PR) for Tax Year 2007.
- Military personnel residing overseas with APO/FPO addresses.
- U.S. citizens and resident aliens residing in the American Possessions of the Virgin Islands, Puerto Rico, American Samoa, Guam and Northern Marianas, or with foreign country addresses.
- Taxpayers filing a Form 4868 (Extension of Time to File).

There is no age restriction on who can use the Practitioner PIN method; **everyone is eligible to use the Practitioner PIN method.**

**4. What forms or supporting documents must the ERO submit with Form 8453, U.S. Individual Income Tax Transmittal for an IRS e-file Return?**

The following forms or supporting documentation must be attached to Form 8453, U.S. Individual Income Tax **Transmittal** for an IRS e-file Return:

- Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes (or acceptable documentation/required donor documentation)
- **Form 2848, Power of Attorney and Declaration of Representative (only for an electronic return signed by an agent)**
- Form 3115, Application for Change in Accounting Method
- Form 3468, Computation of Investment Credit (if Historic Structure Certificate is required) **attach a copy of the first page of NPS Form 10-168a, Historic Preservation Certification Application (Part 2 - Description of Rehabilitation), with an indication that it was received by the Department of the Interior or the State Historic Preservation Officer, together with proof that the building is a certified historic structure (or that such status has been requested)**
- Form 4136, Credit for Federal Tax Paid on Fuels (if certificate and/or reseller statement is required) - **attach the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller**
- Form 5713, International Boycott Report
- Form 8283, Non-Cash Charitable Contributions, Section A (if any statement or qualified appraisal is required) or Section B, Donated Property, and any related attachments (including any qualified appraisal or partnership Form 8283)

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.12 Practitioner PIN Method Questions and Answers continued**

- o Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents (or certain pages from a post-1984 decree or agreement, see instructions)
- o Form 8858, Information Return of U.S. Persons with Respect to Foreign Disregarded Entities
- o Form 8864, Biodiesel and Renewable Diesel Fuels Credit - attach the certificate for Biodiesel and, Statement of Biodiesel Reseller or a certificate from the provider identifying the product as renewable diesel and, if applicable, a statement from the reseller
- o Form 8885, Health Coverage Tax Credit, and all required attachments
- o Schedule D-1, Continuation Sheet for Schedule D (Form 1040) (or a statement with the same information), if you elect not to include your transactions on the electronic short-term capital gain (loss) or long-term capital gain (loss) records
- o Worksheets 1 through 4 from Pub. 517, Social Security and other Information for Members of the Clergy and Religious Workers (or other statement showing the required information and computations)

**5. How does the Practitioner PIN method benefit the ERO?**

The Practitioner PIN method offers an additional taxpayer signature option for EROs to use in preparing and transmitting Forms 1040, 1040A, 1040EZ and 1040-SS (PR) to IRS. It eliminates the requirement to file signature documents with the IRS. Neither the Date of Birth nor the Adjusted Gross Income amount or Prior Year PIN is needed for Practitioner PIN returns.

EROs are strongly encouraged to check the Acknowledgement File or review the information received from the transmitter to determine acceptance of the PIN.

**6. Is there an authorization form required for filing Form 4868 using the Practitioner PIN method?**

Yes. Complete Form 8878, IRS e-file Signature Authorization for Form 4868 and Form 2350, for Form 4868 filed using the Practitioner PIN method. Remember that a signature is only required on Form 4868 when there is an Electronic Funds Withdrawal.

**7. What is my responsibility as an ERO using the Practitioner PIN method?**

EROs are required to sign Form 8879, Part III, with their ERO EFIN/PIN for all returns using the Practitioner PIN method. The ERO EFIN/PIN consists of eleven digits (the first six positions is the EFIN and the last five is any five numbers except ALL zeros). EROs should confirm the identity of taxpayers per Publication 1345 when completing Form 8879, prior to transmitting returns to IRS.

**SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS**

**.12 Practitioner PIN Method Questions and Answers continued**

**8. Do I mail Form 8879 or Form 8878, IRS e-file Signature Authorization, to the IRS?**

No. Do not mail Form 8879 or Form 8878 to the IRS. EROs using the Practitioner PIN method must retain Forms 8879 and 8878 for three years from the return due date or IRS received date, whichever is later. Electronic storage is also acceptable. In addition, Form 8879 or 8878 should not be used as a transmittal to fax documents or submit payments to the IRS.

**9. Will I receive an Acknowledgement that the Practitioner PIN method was used?**

Yes. A PIN Presence Indicator of "1" will be present in the Acknowledgement File Key Record of a return when the Practitioner PIN method was used. Please be sure to check the Acknowledgement File for the PIN Presence Indicator on all returns transmitted using a PIN signature.

**10. Will the ERO PIN be acknowledged as well?**

If the ERO PIN is not present, the return will reject displaying an error reject code.

**11. Where can I find the Error Reject Codes for the Practitioner PIN method?**

The Error Reject Codes can be found in the Publication 1346, Electronic Return File Specification and Record Layouts for Individual Income Tax Returns for Tax Year 2007, Part I, Section 13, Subsection 10. These error reject codes are also available by visiting [www.irs.gov](http://www.irs.gov), under the title, "2007 Tax Year IRS e-file for Individual Income Tax Returns" (formerly Publication 1345-A).

**12. Are all taxpayers who file electronically and sign with a PIN required to pay any balance due electronically.**

No. Taxpayers who prefer to pay by check or money order should file Form 1040-V, Payment Voucher. Form 8879, IRS e-file Signature Authorization, should not be used to transmit any payments.